

April 19, 1939.

Mr. L.H. Hill,  
Arizona Land Division  
The Federal Land Bank of Berkeley,  
15th & Clay Streets,  
Oakland, California.

LAW LIBRARY  
ARIZONA ATTORNEY GENERAL

Dear Mr. Hill:

We are in receipt of your communication of April 13th. In this letter you state the following additional questions with reference to Chapter 62, Session Laws of 1939, which will go into effect in June, 1939:

- (1) In the second paragraph on page 2 of your letter you state "for example, if real property has been sold to the state at tax sale, the general owner in order to receive the exemption of interest would have to pay the principal sum of all taxes for all years covered by the particular tax sale."

Will Senate Bill 129 apply where taxes subsequent to those covered by the tax sale are also delinquent, if payment is made of only the taxes under tax sale?

- (2) If the principal of delinquent taxes aggregate over \$500 for the entire delinquency, or \$200 for a single one-half year, will exemption be granted on these respective amounts and interest accrue at 10 per cent per annum on the balance of the delinquency?

Answering your first question we are of the opinion that if real property has been sold to the state at tax sale the general owner under Chapter 62, in order to receive the exemption of interest on taxes represented by the tax sale, would have to pay the principal sum of all taxes for all years covered by the particular tax sale but would not have to pay the principal sum of taxes for subsequent years not included in the tax sale.

The answer to your second question requires a construction of that portion of the law which reads as follows:

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"In case of state, county, and school district taxes the entire sum thus exempted shall not exceed five hundred dollars. Exemption shall also be allowed on single half-year payments within the time set forth above, but the amount of such exemption in the case of state, county, and school district taxes shall not exceed the sum of two hundred dollars for any such half-year period."

You will note that the act says that the entire sum thus exempted in the case of state, county, and school district taxes shall not exceed \$500. The only thing exempted by the act is interest and we are of the opinion that when the Legislature used the expression "the entire sum thus exempted" it meant that the \$500 limitation relates to the maximum amount of interest exempted rather than referring to the principal amount of taxes on which interest was to be declared exempted. We are of the further opinion that a taxpayer may receive an exemption up to the amount of exemption granted and pay the balance of delinquent interest not exempt.

With best regards, I am

Very truly yours,

JOE CONWAY  
Attorney General

LIN ORME, JR.  
Assistant Attorney General

EARL ANDERSON ✓  
Special Assistant  
Attorney General

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